

## **1. How is Monetary Statistics compiled?**

- The Department of Economic Statistics (DES) of the Bangko Sentral ng Pilipinas (BSP) compiles monetary statistics in accordance with framework as set forth in the Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG) of the International Monetary Fund (IMF). The monetary statistics is comprised of the Central Bank Survey (CBS), the Depository Corporations Survey (DCS), and the Other Financial Corporations Survey (OFCS). These statistics are compiled on a monthly (i.e., the CBS and the DCS) and quarterly (i.e., the OFCS) basis. This primer focuses on the CBS and the DCS.
- In 2004, the IMF introduced the Standardized Report Forms (SRF) for member-countries' reporting of monetary and financial statistics. The SRF is a reporting format that conforms to certain principles and concepts as guideposts. Adherence to the SRF promotes internal consistency with other macroeconomic statistics such as the Balance of Payments and International Investment Position Manual, 6th Edition (BPM6) and the 2008 System of National Accounts (2008 SNA) and facilitates cross-country comparison. With the adoption of the SRF, data on assets and liabilities were presented on a more detailed manner, that is, with breakdown by type of financial instruments, by currency of denomination (domestic and foreign), and by counterpart sector, as well as identifies which of these financial instruments are components of broad money. The BSP adopted the SRF-based format in reporting monetary statistics beginning with the August 2013 data. The SRF series was also backtracked through December 2001.

## **2. What is the Central Bank Survey (CBS)?**

The CBS is an analytical tool for the consolidation of the balance sheet of the BSP and the accounts of the central government (CG) related to its monetary functions and transactions with the IMF. In the CBS, Accounts are classified according to financial instruments, transactors or institutional units and residence. The foreign and domestic positions are distinguished on the basis of residence following the guidelines of the IMF's BPM6.

## **3. What are the major components of the CBS?**

The CBS is segregated into four (4) major categories, namely:

- I. Net Foreign Assets refer to the central bank's net position with regard to its transactions with nonresidents comprising of:
  - a) Claims on Nonresidents, which consist of the country's official reserve assets and other foreign assets of the BSP; and
  - b) Liabilities to Nonresidents, which consist of gross external liabilities of the central bank.

- II. Domestic Claims refer to the BSP's position with regard to its transactions with residents comprising of:
- a) Net Claims on CG, which consist of securities other than shares held and loans extended by the BSP less deposit liabilities to CG;
  - b) Claims on Other Depository Corporations (ODCs), which include BSP's deposits, securities other than shares, loans, and financial derivatives to ODCs; and
  - c) Claims on Other Sectors, which consist of domestic securities issued by and advances extended to resident sectors other than the CG. These resident sectors include other financial corporations (OFCs), state and local government, public nonfinancial corporations, and the private sector.
- III. Reserve Money includes:
- a) Currency in Circulation, which refers to the currency notes and coins issued by the BSP in accordance with Sec. 50 of Republic Act (RA) 7653 as amended by RA 11211;
  - b) Liabilities to ODCs, which comprise:
    - Required reserves and clearing balances of ODCs which refer to the BSP's regular peso demand deposit liabilities to universal and commercial banks (U/KBs), thrift banks, rural and cooperative banks (R/CBs), digital banks, non-banks with quasi-banking functions (NBQBs) and accrued interests.
    - Reserve Deposit Account (RDA) of ODCs or fund placements with the BSP in lieu of government securities holdings to be bought directly from the BSP in compliance with the liquidity reserve requirement and accrued interests.<sup>1</sup>
    - Secured Settlement Account (SSA) of ODCs is used for the settlement of Automated Clearing House-type of transactions. The SSA was created to ensure that all payments for valid retail transactions are made on time; and
  - c) Liabilities to Other Sectors consist of:
    - Transferable deposits of OFCs included in broad money which refer to the BSP's demand deposit reserve accounts of Common Trust Funds (CTF) and Trust and Other Fiduciary Accounts (TOFA) of OFCs and accrued interests.
    - RDA of OFCs which pertains to the funds placed with the BSP in lieu of government securities holdings to be bought directly from the BSP in compliance with the liquidity reserve requirement on CTF and TOFA accounts and accrued interests.<sup>1</sup>

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<sup>1</sup> As of end-June 2012, the use of the RDA facility was discontinued due to the implementation of the Rationalization of the BSP's Reserve Requirement Policy in 2012. This policy includes the unification of the statutory reserve requirement and liquidity reserve requirement (RDA facility) into a single set of reserve requirement.

- IV. Liabilities Other Than Reserve Money include all other unclassified accounts such as deposits and securities other than shares, shares and other equity and other items (net).

#### **4. What is the Depository Corporations Survey (DCS)?**

The DCS is a consolidation of the balance sheets of the following:

- The BSP and the accounts of the CG related to its monetary functions, including its transactions with the IMF, and
- The ODCs, which are deposit-generating institutions other than the BSP, such as U/KBs, thrift banks, R/CBs, digital banks, non-stock savings and loan associations (NSSLAs), and NBQBs.

#### **5. What are the major components of the Depository Corporations Survey (DCS)?**

The DCS is segregated into four (4) major categories, namely:

- Net foreign assets (NFA), as distinguished from domestic accounts and following the residency criteria of BMP6, represent the difference between claims on nonresidents and liabilities to nonresidents of ODCs and the BSP, including the difference between accrued interest receivable and payable on transactions of the BSP with nonresidents.
- Domestic Claims are the sum of net claims on CG and claims on other sectors.
  - a) Net Claims on CG include domestic securities issued by and loans and advances extended to the CG, net of liabilities to the CG such as deposits.
  - b) Claims on Other Sectors include domestic securities issued by and loans and advances extended to sectors other than the CG. These sectors consist of OFCs, state and local government, public nonfinancial corporations, and the private sector.
- Broad Money Liabilities (Liquidity Aggregates)
  - a) M1 (Narrow Money) consists of currency outside depository corporations and transferable deposits included in broad money.
    - “Currency outside depository corporations” is obtained by deducting cash held in the vaults of ODCs from the currency in circulation.
    - “Transferable deposits included in broad money” includes demand deposits, “managers and cashiers’ checks” as well as deposits automatically transferred from savings to demand deposits but excludes transferrable deposits and “checks and other cash items” held by the CG, ODCs, and nonresidents.
  - b) M2 consists of M1 and other deposits included in broad money such as savings and time deposits. Savings deposits are interest- or non-interest-bearing deposits, which are withdrawable upon demand through available

bank channels. Time deposits are interest-bearing deposits with specific maturity dates and evidenced by certificates issued by the bank.

- c) M3 (Domestic Liquidity) includes M2 and securities other than shares included in broad money (deposit substitutes). Securities other than shares included in broad money are instruments used as an alternative form of obtaining funds from the public other than deposits through the issuance, endorsement or acceptance of debt instruments for the borrower's own account. These represent all types of money market borrowings by banks like promissory notes and commercial papers/securities.
- d) M4 (Expanded Broad Money) consists of M3 and transferable and other deposits in foreign currency (foreign currency deposits of residents).
- Liabilities Excluded from Broad Money (LEBM) include ODCs' claims on and obligations/borrowings from the BSP and other ODCs. LEBM also includes capital accounts and nonfinancial assets of the BSP and ODCs.

## **6. What are the sources of data for the DCS?**

Balance sheets of the BSP, U/KBs, thrift banks, R/CBs, digital banks, NSSLAs, NBQBs, and the report on the Philippine's Summary Position in the IMF serve as the main data sources for the DCS.

## **7. What are the uses of the DCS?**

- Provides a measure of the stock of liquidity in the system and identifies the sources of money growth.
- Provides the core set of monetary statistics for macroeconomic policy.
- Facilitates a more detailed analysis of broad money and credit aggregates.
- Provides monetary data for the research needs of both the public and private sectors and the general public.

## **8. How are the CBS and DCS data disseminated?**

The CBS and the DCS are disseminated through the Special Data Dissemination Standards (SDDS) and the BSP website, which may be accessed through the following links:

CBS: <https://www.bsp.gov.ph/SitePages/Statistics/Financial%20System%20Accounts.aspx?TabId=1>

DCS: <https://www.bsp.gov.ph/SitePages/Statistics/Financial%20System%20Accounts.aspx?TabId=2>